

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 104 – SB 1347**

March 14, 2018

**SUMMARY OF ORIGINAL BILL:** Requires certain local governments to post official highway maps on their website prior to adoption of the map at a public hearing.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (014478):** Deletes all language after the enacting clause. Increases, from 120 to 150 calendar days, the length of time a utility owner within Hamblen County has to provide the Tennessee Department of Transportation (TDOT) with relative information involving the relocation of utility facilities impacted by a TDOT project plan in order to be eligible for utility relocation reimbursement. Increases from 45 to 90 calendar days, the length of time a utility owner in Hamblen County has in addition to the initial 150 calendar days, to submit such information to TDOT in the event the original timeframe provided is altered.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures – Exceeds \$150,000/Highway Fund**

**Increase Local Revenue – Exceeds \$60,000**

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 54-5-804, TDOT is authorized to reimburse a utility owner for the relocation of a utility when such utility relocation is required for a highway construction project on a public right-of-way; however pursuant to Tenn. Code Ann. § 54-5-854, utility owners have 120 days to provide plans, locations, estimated costs, and a schedule of calendar days needed to accomplish the utility relocation. Utility owners are also allotted 45 additional days to provide such information in the event the relocation plan or schedule is changed.

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- The proposed language would provide utility owners, only located within Hamblen County, more time to provide the relocation plan and schedule to TDOT in order to receive reimbursement for utility relocation.
- TDOT utilizes a portion of federal funding for utility relocation reimbursement; however any portion of reimbursement over what is allocated from federal funding is paid for with Highway Funds.
- The amount of reimbursement paid annually will depend on the number of highway construction projects, number of utilities applying for reimbursement, the cost for utility relocations, and if utilities provide the applicable information within the statutory timeframe.
- TDOT reimburses local utilities at a rate of 75 percent, while private companies are reimbursed at a rate of 100 percent.
- According to TDOT, extending the time utility owners within Hamblen County have to provide relocation plans will result in a greater number of reimbursements and increase state expenditures.
- Based on information provided by TDOT, the recurring increase in state expenditures to the Highway Fund for additional relocation reimbursements is estimated to exceed \$150,000.
- It is reasonably estimated that 40 percent of reimbursements will be made to local government utilities; therefore, the recurring increase in local government is revenue estimated to exceed \$60,000 (\$150,000 x 40%).

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/jrh